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1 BEFORE THE ARIZONA CORPORATION CUMMISSION RECEIVED 2 **COMMISSIONERS** 7813 AUG 26 P 2:51 3 **BOB STUMP - Chairman GARY PIERCE** 4 **BRENDA BURNS** AZ CORP COMMISSION **BOB BURNS** DOCKET CONTROL 5 SUSAN BITTER SMITH 6 IN THE MATTER OF THE APPLICATION OF DOCKET NO. W-03514A-13-0111 PAYSON WATER CO., INC., AN ARIZONA 7 CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON. 10 IN THE MATTER OF THE APPLICATION OF DOCKET NO. W-03514A-13-0142 PAYSON WATER CO., INC., FOR AUTHORITY 11 TO ISSUE EVIDENCE OF INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$1,238,000 IN 12 CONNECTION WITH INFRASTRUCTURE IMPROVEMENTS TO THE UTILITY SYSTEM: 13 AND ENCUMBER REAL PROPERTY AND PLANT AS SECURITY FOR SUCH 14 INDEBTEDNESS. PROCEDURAL ORDER 15 BY THE COMMISSION: 16 17 18

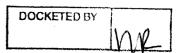
On April 22, 2013, Payson Water Co., Inc. ("PWC" or "Company") filed with the Arizona Corporation Commission ("Commission") an application in Docket No. W-03514A-13-0111 for a determination of the fair value of its utility plant and property and for increases in its water rates and charges for utility service ("Rate Application").

On May 27, 2013, PWC filed with the Commission an application in Docket No. W-03514A-13-0142 for authority to (1) issue evidence of indebtedness in an amount not to exceed \$1,238,000 on the terms and conditions set forth by the Water Infrastructure and Finance Authority ("WIFA"), and (2) encumber its real property and utility plant as security for such indebtedness ("Finance Application").

On June 3, 2013, the Rate Application was deemed sufficient and PWC was classified as a Arizona Corporation Commission Class C utility.

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On July 2, 2013, a Procedural Order was issued setting the Rate Application for hearing beginning December 9, 2013, and establishing other procedural filing dates.

On August 15, 2013, PWC filed a Motion to Consolidate Proceedings and Request for Expedited Procedural Schedule. PWC requested that the Rate and Finance dockets be consolidated and that a new, expedited procedural schedule be established to enable the Company to pursue an opportunity to build an interconnection between the Town of Payson and PWC's Mesa del Caballo system.

On August 20, 2013, Staff filed its Response to Motion to Expedite. Staff stated that it does not oppose the consolidation request, but opposes PWC's request to expedite the entire proceeding. Staff proposed that a procedural conference be convened to discuss scheduling.

On August 22, 2013, PWC filed a Reply in Support of Motion to Consolidate Proceedings and Request for Expedited Procedural Schedule. The Company states that the entire consolidated proceeding should be expedited to afford rate relief in conjunction with commencement of the pipeline project, or that the matter should be bifurcated with expedited consideration of the Finance Application and interim rate relief.

IT IS THEREFORE ORDERED that Docket Nos. W-03514A-13-0111 and W-03514A-13-0142 are hereby consolidated.

IT IS FURTHER ORDERED that a procedural conference shall be held on September 4, 2013, at 1:00 p.m., at the offices of the Commission, 1200 West Washington, Phoenix, Arizona 85007, Hearing Room No. 1, to discuss scheduling and other procedural matters.

IT IS FURTHER ORDERED that the *Ex Parte* Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that all parties must comply with the Rules of the Arizona Supreme Court 31 and 38, and A.R.S. §40-243 regarding the practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the

1 Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation to appear at all hearings and procedural conferences, as well as all Open Meetings for which the 2 3 matter is scheduled for discussion, unless counsel has previously been granted permission to withdraw by the Administrative Law Judge. 4 5 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended pursuant to Rule 6(a) or (e) of the Arizona Rules of Civil Procedure. 6 7 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, 8 or waive any portion of this Procedural Order by subsequent Procedural Order or by ruling at hearing. DATED this **26** day of August, 2013. 9 10 11 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE 12 Copies of the foregoing mailed 13 this Litter day of August, 2013, to: 14 15 Jay L. Shapiro FÉNNEMORE CRAIG, P.C. 16 2394 E. Camelback Road, Suite 600 Phoenix, Arizona 85016 17 Attorneys for Payson Water Co., Inc. 18 Janice Alward, Chief Counsel Legal Division 19 ARIZONA CORPORATION COMMISSION 1200 W. Washington Street 20 Phoenix, Arizona 85007 21 Steven M. Olea, Director **Utilities Division** 22 ARIZONA CORPORATION COMMISSION 1200 W. Washington Street 23 Phoenix, Arizona 85007 24 ARIZONA REPORTING SERVICE, INC. 2200 N. Central Avenue, Suite 502 25 Phoenix, Arizona 85004-1481 26 By: 27

Assistant to Dwight D. Nodes

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